

# The President's Daily Brief

*24 November 1973*

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FOR THE PRESIDENT ONLY

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PRINCIPAL DEVELOPMENTS

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Defense Minister Dayan has taken a tough line on how Israel should approach future peace negotiations. (Page 1)

Jordanian armed forces Commander in Chief Majali recently gave the US ambassador a lengthy lecture on what Majali described as a dangerous deterioration in King Husayn's standing with army and tribal leaders. Ambassador Brown observes that growing discontent among the King's traditional supporters is cause for concern, particularly if a future crisis should put their loyalty to the test. (Page 3)

The nine EC countries will make oral demarches in Arab capitals this weekend in an attempt to convince the Arabs that EC unity will not be breached by tactics of discrimination. (Page 4)

General Secretary Brezhnev will arrive in India on Monday on his first trip to a Third World country since he became party chief. The visit will probably produce further agreements on military and economic aid as well as Indian endorsement of many Soviet foreign policy initiatives. On sensitive matters, however, the Indians will keep their distance. Prospects for the visit are discussed on pages 5 and 6.

Participants at the Gaullist party congress last weekend displayed considerable dissatisfaction with President Pompidou's leadership. Orthodox and liberal Gaullists seemed to emerge from the congress with a new sense of unity that excludes Pompidou. (Page 7)

Canada is considering wheat deals with Syria, Egypt, and Libya totaling \$375 million. The negotiations, which follow reports of similar discussions with Venezuela, suggest that Ottawa is trying to link wheat exports to crude oil supplies. (Page 8)

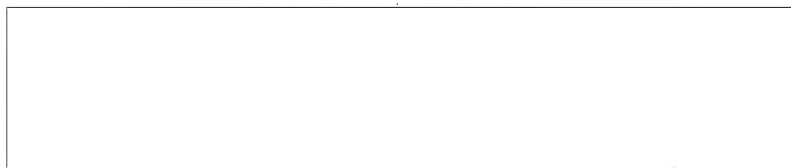
Notes on the death yesterday of Japanese Finance Minister Aichi and on the performance of the dollar this week also appear on Page 8.

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## ARAB STATES - ISRAEL

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Otherwise there has been no additional evidence of imminent Arab military action since that which was passed yesterday by the Israelis and which apparently caused them to begin mobilizing reserves and to bring their forces to a high state of alert. From the Arab side, King Husayn expressed concern over reports of heavy Israeli military traffic moving toward Jericho and the Jordan Valley, but there is no unusual military activity in Jordan.

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Yesterday's Israeli-Egyptian discussions at Kilometer 101 were inconclusive; the two sides will meet again today. A UN spokesman said that both sides showed a "constructive" attitude and clarified "many details." Meanwhile, other Israeli and Egyptian military representatives at Kilometer 101 are discussing arrangements for returning bodies of soldiers killed in action, moving additional Egyptian wounded out of Suez city, and reunifying Egyptian families separated as a result of Israeli military operations west of the Suez Canal.

Israeli Defense Minister Dayan has taken a strong stand with respect to how Israel should approach future peace negotiations. Dayan told a meeting in Tel Aviv yesterday that the Israelis must ensure that the Geneva peace conference is neither a "withdrawal conference, as the Americans want," nor a "surrender conference, as the Arabs want." He stressed that Israel must not relinquish control over the Golan Heights, the Jordan West Bank, or Sharm ash-Shaykh at the tip of the Sinai peninsula, and added that the Israelis should "tackle the Bab al-Mandab" blockade. Dayan's statements contrasted with those attributed to him earlier this week when he reportedly called for flexibility in negotiations with the Arabs.

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Tel Aviv sent a formal complaint yesterday to UN Secretary General Waldheim, charging Syria with "murder and mutilation" of Israeli POWs. The Israelis remain seriously concerned over the fate of Israeli prisoners and want to bring international pressure on Syria to at least publish a list of POWs. Israel claims Damascus holds 127 Israelis, while the Israelis have 360 Syrian prisoners of war.

*FOR THE PRESIDENT ONLY*

JORDAN

The Commander in Chief of the armed forces, Field Marshal Majali, has added his voice to those of others disgruntled over palace politics. The veteran soldier lectured the US ambassador for an hour recently on what Majali described as the deterioration of King Husayn's standing with the army and with tribal leaders of the East Bank. He claimed that Husayn's growing isolation from these traditional supporters leaves the King open to betrayal by courtiers and politicians who now control the palace and the government ministries.

There have been numerous complaints of this kind by army officers since the King's unpopular divorce and remarriage, the granting of privileged positions to the new Queen's family, and the restoration to power of politicians with pro-Palestinian sympathies. Husayn's recent efforts to come up with a workable solution to the Palestine problem have also stirred resentment and concern among Bedouin army officers. Ambassador Brown observes that the growing discontent among the King's traditional supporters is cause for concern, particularly if a future crisis should put the loyalty of army and tribal leaders to the test.

*FOR THE PRESIDENT ONLY*

EC - MIDDLE EAST

The nine EC members have agreed to pursue a common policy in the Middle East and will so advise Arab governments. Partly in an effort to help the Dutch, embassies of EC members in each of the Arab capitals will select a spokesman who will present an oral demarche to the host government before the Arab Summit on November 26. The approach is to be "extremely diplomatic" but will try to convey two basic points:

--that EC unity will not be breached by Arab tactics of discrimination, and

--that common EC policy toward Middle East questions will not be revised by Arab pressure.

The demarche will also include mention of the Nine's intention to contribute jointly to a Middle East settlement.

The Nine have also agreed to respond to Tel Aviv's criticism of the EC's Middle East policy, but only after the Arab Summit. They will use as the basis for these talks their generally pro-Arab declaration of November 6.

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USSR-INDIA

General Secretary Brezhnev will arrive in New Delhi on Monday for a five-day visit. This will be his first trip to a Third World country since he became party chief.

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On more sensitive matters, however, Brezhnev probably will tread cautiously. He will certainly make a pitch for Indian support for Moscow's vague Asian collective security scheme, but New Delhi has carefully avoided becoming identified with this clearly anti-Chinese proposal and no doubt will continue to resist.

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Both sides will have China very much in mind in discussing international problems. They have a common distrust and fear of Peking, and this has in the past led to increased mutual cooperation. This peaked two years ago, however, with the signing of the Soviet-Indian treaty and the Soviet Union's strong support for India during the war with Pakistan. Unhappily for Moscow, these developments did no more than halt temporarily New Delhi's efforts to seek improved ties with China. The Soviets have been doing their best to frustrate Sino-Indian rapprochement, and Brezhnev will certainly try to get a reading on India's present attitude toward Peking.

The Brezhnev visit is likely to produce further military aid agreements. India's long shopping list includes sophisticated surface-to-air and anti-tank missiles and advanced aircraft, although the Soviets are not likely to meet all these requests. As for naval equipment, the Soviets have agreed to discuss India's request for guided missile cruisers and destroyers, and probably will supply minesweepers.

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The Indians are prepared with a number of proposals for increased Soviet economic assistance, and Brezhnev is likely to be at least partially responsive. The two countries may also sign a space recovery agreement which would permit the USSR to send planes and ships to India several times a year to assist Soviet space ventures. In addition, an accord on commercial shipping appears almost ready for signature.

If Brezhnev renews Moscow's request for special privileges for the Soviet Navy at Indian ports, however, the Indians are likely to continue to say no. Just this week Indian officials leaked word to the press that the USSR had formally asked for "standing port privileges," adding that New Delhi probably would not agree. Soviet Defense Minister Grechko broached a proposal of this kind to the Indians last summer without success.

*FOR THE PRESIDENT ONLY*

FRANCE

Participants at the Gaullist party congress last weekend displayed considerable dissatisfaction with President Pompidou's leadership. Pompidou himself was not there, and references to him were greeted with lukewarm enthusiasm. In contrast, former Prime Ministers Debre and Couve de Murville and current Prime Minister Messmer were roundly applauded. Pompidou's isolation was further illustrated by the acclaim given Chaban-Delmas, who represents the liberal wing of the Gaullist party. In effect, the Gaullists seemed to emerge from the congress with a new sense of unity that excludes Pompidou.

The delegates' attitudes reflect a discontent that has been building for some time. Many Gaullists have come to believe Pompidou is unable to provide the strong leadership needed to solve the increasingly difficult problems facing France. In addition, there was a new spate of rumors at the congress that the President's health will not permit him to complete his term, which runs to 1976. Die-hard Gaullists at the congress reportedly formed a watch-dog committee to follow and comment on Pompidou's policies.

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NOTES

Japan: The death yesterday of Finance Minister Aichi deprives Prime Minister Tanaka of one of his most experienced and capable supporters. Tanaka himself will take over the key Finance Ministry, at least temporarily. Aichi's death will probably bring about an early cabinet shuffle.

Canada: Ottawa is considering wheat deals with Syria, Egypt, and Libya totaling \$375 million. At current prices, this would represent 1.8 million tons of grain, and would be Canada's largest sale since the contract with China in September. The negotiations, which follow reports of similar ones with Venezuela, suggest that Ottawa is trying to link wheat exports to crude oil supplies. Canada faces rationing at the wholesale level unless there is a sudden improvement in supply. Before the cut-back, eastern Canada obtained 22 percent of its crude from the Arab countries and 44 percent from Venezuela.

International Monetary Developments: The dollar closed significantly stronger on European money markets this week. Since Monday it has appreciated 2 to 3 percent against the mark, the pound, and the French franc. Concern over the effects of the oil shortage continues to depress these currencies.

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